The opportunities and risks of corporate engagement on water policy

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Water Stewardship framework

- Water Awareness
- Knowledge of Impact
- Internal Action
- Collective Action
- Influence Governance

Water Awareness of Impact
Collective Action
Influence Governance

5 April, 2013 - 2
– Advocacy / lobbying / influencing
– Partnership / participating / facilitating
– Financial support / facilitation
– Institutional strengthening / capacity
– Self-regulation
– Implementation support
Civil Society Risk

Social, Economic, Ecological Impacts

Physical Water Failure
Including:
Primary water resource shortage,
degradation or flooding
and
Secondary water supply and
wastewater failure

Government Risk

Business Risk
Including:
Reputational Risk
Regulatory Risk
2% - 3% of GDP
10% of FEE
The opportunities of corporate engagement in water policy

*Bringing power to the table*

- There’s not a government in the world which doesn`t listen to business!
- Re-energizing stagnating IWRM processes
- Mobilizing investment
- Innovation
- Communication power
1985-2010 | MERSEY BASIN CAMPAIGN

Otters return to once-polluted River Mersey
The risks of corporate engagement in water policy

*Bringing power to the table*

- There’s not a government in the world which doesn`\'t listen to business!
- Non-aligned intent / actions
- Misguided actions - perverse outcomes
- Capture of resources, policy, process and regulation
Which way progress?

‘If we work together in the right ways the sky’s the limit’

‘An unenlightened approach to corporate engagement on water will hasten our collective doom’

How do we ensure that corporate engagement delivers *water security for all* and not *water securitisation for a few*?
• What is the balance between “high economic value” water use and water use for local well-being?

• What role can and should companies play in facilitating greater procedural and distributive water justice (especially in areas of weak governance)?

• How can companies be encouraged to consider long-term profit drivers in the face of immediate short-term profit motives and shareholder pressure?

• Can companies actually advocate and lobby for water management in the public interest?
• What is the balance between “high economic value” water use and water use for local well-being?

• What role can and should companies play in facilitating greater procedural and distributive water justice (especially in areas of weak governance)?

• How can companies be encouraged to consider long-term profit drivers in the face of immediate short-term profit motives and shareholder pressure?

• Can companies actually advocate and lobby for water management in the public interest?
Which way progress?

- CEO Guidelines – 5 principles of responsible engagement on water policy
- CDP Water – Disclosure and transparency
- AWS – navigating the difficult landscape of stewardship and verification of corporate claims
- Research, knowledge and evidence – CoWRN
- Other?
Principles for responsible water policy engagement

**Principle 1:** Advance sustainable water management. Responsible corporate engagement in water policy must be motivated by a genuine interest in furthering efficient, equitable, and ecologically sustainable water management.

**Principle 2:** Respect public and private roles. Responsible corporate engagement in water policy entails ensuring that activities do not infringe upon, but rather support, the government’s mandate and responsibilities to develop and implement water policy. Acting consistently with this principle includes business commitment to work within a well-regulated (and enforced) environment.

**Principle 3:** Strive for inclusiveness and partnerships. Responsible engagement in water policy promotes inclusiveness and equitable, genuine, and meaningful partnerships across a wide range of interests.

**Principle 4:** Be pragmatic and consider integrated engagement. Responsible engagement in water policy proceeds in a coherent manner that recognizes the interconnectedness between water and many other policy arenas. It is a proactive approach, rather than responsive to events, and is cognizant of, and sensitive to, the environmental, social, cultural, and political contexts within which it takes place.

**Principle 5:** Be accountable and transparent. Companies engaged in responsible water policy are fully transparent and accountable for their role in a way that ensures alignment with sustainable water management and promotes trust among stakeholders.